DEV): (a) and (b) The Board of Directors of Burn Standard Company Limited (BSCL) recommended closure of only Burnpur Works (BW).

The Burnpur Works of BSCL has been incurring huge losses for the last four years and the Corporate Management of BSCL had to extend financial support to the tune of Rs. 21.78 crore by diverting operating surplus generated by other units in order to sustain operations of BW. The Board of BSCL directed to discontinue such diversion of revenue generated by other units and advised Burnpur Works to achieve at least breakeven level of production, so that they are able to survive on "stand alone basis" failing which the decision of closure is to be pursued.

(c) The Board of Directors of Bharat Bhari Udyog Nigam Ltd., the holding company of BSCL, has not yet deliberated upon the recommendations of the Board of BSCL and the Government has not received the recommendation of BBUNL regarding future of BSCL. However, the Government have extended a Bank Guarantee for Rs. 55.50 crore without payment of Guarantee Fee to BSCL for working capital till 31.3.2006.

Autonomy to PSUs

1430. SHRI B.K. HARIPRASAD: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Arjun Sengupta panel has recommended for giving more autonomy for PSUs;

(b) whether the panel has suggested that PSUs should not be subject to Public Interest Litigations and Parliament questions and that a statutory audit is sufficient for PSUs and their books need not be audited by CAG;

(c) whether necessary amendments under Article 12 of the Constitution have been finalized; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) to (d) The ad-hoc Group of Experts (AGE) headed by Dr. Arjun Sengupta has made various recommendations on empowerment of Central Public Sector Enterprises. The Government has accepted some of the

recommendations of AGE relating to enhancement of financial powers of Navratna, Miniratna and other profit-making Central Public Sector Enterprises (CPSEs). The remaining recommendations relating to ownership issues, audit of Government companies, Article 12 of the Constitution, Parliamentary Accountability, Vigilance management in CPSEs, etc. are under examination.

Status of HEC and MECON Ltd.

1431. SHRI S.S. AHLUWALIA: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is a fact that Heavy Engineering Corporation (HEC) and MECON Ltd., Ranchi, are contemplated to be closed down by Government;

(b) if so, the rationale therefor;

(c) if not, the measures for their revival, if any, under implementation, unit-wise;

(d) the number of employees made to leave these undertakings under the forced retirement schemes, year-wise and category-wise and their present strength;

(e) the outstanding debts to be recovered by the two undertakings from their customers alongwith the details of these debtors as on the 30th June of 2003,2004 and 2005; and

(f) the volume of their outstanding loans to banks/FIs as on the above dates?

THE MINISTER OF STATE OF THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) Government does not contemplate to close down Heavy Engineering Corporation (HEC) and MECON Ltd.

(b) Does not arise.

(c) HEC was before the Board for Industrial and Financial Reconstruction (BIFR). BIFR on 6.7.2004 has recommended winding up of HEC under Sick Industrial Companies Act (SICA). Government is however interested in the revival of the company. Accordingly appeals